

# THE EFFECTS OF CITIBIKE

Distinctively blue and branded, Citi Bikes have quickly become part of Manhattan's built-environment. The Bike Share program first rolled out 6,000 bicycles and 330 docking stations last May\*. As of today, there are about 37,250 rides made each day and the numbers are growing\*. As biking gains popularity and support from the city, much data has been collected and continues to be collected to ascertain the current reach and future potential for biking in NYC. However, little has been done to asses Citi Bikes' impact on the very foundation of biking culture - the local bike shops. To fill this gap, the Greenwich Village-Chelsea Chamber of Commerce (GVCCC) has conducted a survey to find out how sales have changed since the bike-share program.

\*FROM WWW.CITIBIKENYC.COM

**15** out of 16 bike shops **REPORTED A CHANGE IN SALES** since Citibike began.



Our team at the GVCCC spoke with representatives from 16 different bike shops in our area from Canal to 34th Street to better understand the current business environment for local shops. We hit the streets to ask shopkeepers how sales have changed over the last three months, noting whether sales have increased and/or decreased in each of the following categories: bicycles, bicycle accessories, apparel, rentals, services, classes, and an "other" option. Survey participants were also asked if their store would be interested in hosting a biking safety workshop and for suggestions on what the Citi Bike program can do to work with our local bike shops.

Fifteen of the sixteen shops surveyed reported a change in sales. The remaining shop opened around the same time that Citi Bikes were installed, therefore was unable to report if their business has been affected. Since Bike Share started, of the eight shops with an increase in sales, two sold more bicycles and all sold more bicycle accessories - mainly helmets. More than half of the surveyed shops saw a decrease in one or more categories. Rentals were hit the hardest, as potential customers now have another option. Seven stores experienced dips in by-the-hour and daily rentals. For some, sales also decreased for bicycles, bike accessories, and services.

## USE CITI BIKE KIOSKS TO PROMOTE BIKE SHOPS IN THE AREA

*Offer DOT bike safety workshops in partnership with bike shops*  
**Provide a public bike locking option for non Citi Bikes**

One store owner noticed a 50% decrease in overall sales since bike share started. Many shops expressed that although general bike awareness and interest has skyrocketed because of the program, it has not directly translated into more revenue. Despite sharp increases in helmet sales, partially due to the coupon offered through Citi Bike, that income hardly makes up for the lost in rentals. Furthermore, the helmet discount is only valid for specific brand helmets, which tend to carry a steeper wholesale price than other brands, making it difficult for smaller shops to obtain them in the first place. Therefore, cash-strapped stores that need the boost the most are unable to take advantage of the coupon which could potentially bring new customers in the door. In addition, shopkeepers have noticed errors on the NYC Bike Maps in terms of their service and product offerings, which, again, limits the potential benefits of existing promotional channels.

Our findings tell us that Citi Bikes have presented new challenges as well as new opportunities for bicycle shops. As the program expands throughout the boroughs and gains more traction, the Bike Share program needs to work with local businesses to help sustain and encourage alternative transportation. We offer three recommendations:

**Use Citi Bike kiosks to promote bike shops in the area.** Hundreds of biking stations are found along Manhattan's streets. Many are just a short ride from the neighborhood bike shop. Offering a

designated placement for nearby shops to promote their services and products will directly connect bikers to a local resource, help support the growing biking culture, and give distressed businesses a much needed boost. Some shops are hopeful for more customers in the long-term, expecting novice bikers or current Citi Bikers to gain the confidence and desire of having their own vehicle.

**Offer DOT bike safety workshops in partnership with bike shops.** A major concern for commuters is safety. Having bikers learn proper signals, rules of the road, and other general guidelines will be beneficial for all New Yorkers. Several bike shops are already offering classes and training courses on bike safety. Communicating these services to Citi Bike enrollees will effectively provide a much needed service to the public.

**Provide a public bike locking option for non Citi Bikes.** One of the most revered qualities of the bike share program is the convenience. Citi Bike stations are located on major streets and intersections, making it very easy for commuters to go from one place to the next. For non Citi Bikers, the only option for bicycle parking is with CityRacks, the circular bike racks provided by the Department of Transportation. Having regular bike racks at Citi Bike stations will help integrate the two disparate communities and create central locations for all bikers to travel throughout the city.

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